

The regular meeting of the Montague Retirement Board, duly posted, was held online, via Zoom, on the above date, and came to order at 9:29 am. Roll call was taken.

**Retirement Board Members Present:** Carolyn Olsen, Cheryl Clark, David Dion, and Marianne Fisk were present. Steven Ellis was absent.

**Retirement Board Staff Present:** Administrator Deb Underhill was present.

**Minutes:** Minutes of the June 23, 2020 Retirement Board Meeting were presented for review and approval.

On a motion made by Carolyn Olsen, seconded by Marianne Fiske, the Board voted to approve the June 23, 2020 minutes.

**Roll Call Vote:** Carolyn Olsen YES, Cheryl Clark YES, David Dion YES, Marianne Fiske YES

**Vote:** 4 In Favor 0 Opposed 0 Abstained

**Contributory Retirement Warrant #7:** Dated July 31, 2020 in the amount of \$277,227.75.

Payroll	\$ 268,953.78
Expenses	\$ 7,583.75
AS Refunds	\$ <u>690.22</u>
Total Warrant	\$ <u>277,227.75</u>

On a motion made by Carolyn Olsen, seconded by Marianne Fiske, the Board voted to approve the July 31, 2020 Warrant #7 in the amount of \$277,227.75.

**Roll Call Vote:** Carolyn Olsen YES, Cheryl Clark YES, David Dion YES, Marianne Fiske YES.

**Vote:** 4 In Favor 0 Opposed 0 Abstained

**Contributory Retirement Warrant #7A:** dated July 30, 2020, in the amount of \$2,200,000.00, for the purposes of transferring funds to the PRIT General Allocation Account.

On a motion made by Carolyn Olsen, seconded by Cheryl Clark, the Board voted to approve the July 31, 2020 Warrant #7A in the amount of \$2,200,000.00, for the purposes of transferring funds to the PRIT General Allocation Account.

**AS Refund:** Approve Annuity Savings Refund for Gary Newcomb, GMRSD, 12/10/2008 – 8/6/2009, 7 months, 27 days.

On a motion made by Carolyn Olsen, seconded by Marianne Fiske, the Board voted to approve the Annuity Savings Refund for Gary Newcomb, GMRSD, 12/10/2008 – 8/6/2009, 7 months, 27 days.

**Roll Call Vote:** Carolyn Olsen YES, Cheryl Clark YES, David Dion YES, Marianne Fiske YES.

**Vote:** 4 In Favor 0 Opposed 0 Abstained

**Partial AS Refund:** Approve partial refund of \$10 to Lee Kanash, GMRSD. Ms. Kanash retired on 6/13/20, and when the school paid her a lump sum for her unused sick time, they took a retirement deduction in error.

On a motion made by Carolyn Olsen, seconded by Marianne Fiske, the Board voted to approve the partial Annuity Savings Refund for Lee Kanash due to an error by the school.

**Roll Call Vote:** Carolyn Olsen YES, Cheryl Clark YES, David Dion YES, Marianne Fiske YES.

**Vote:** 4 In Favor 0 Opposed 0 Abstained

**Election Officer:** appoint election officer for the upcoming election, which is being held to elect the 4<sup>th</sup> member of the Retirement Board. The term of the current 4<sup>th</sup> member expires December 16, 2020.

On a motion made by Carolyn Olsen, seconded by David Dion, the Board voted to appoint Administrator Deb Underhill the election officer for the upcoming election, which is being held to elect the 4<sup>th</sup> member of the Retirement Board.

**Roll Call Vote:** Carolyn Olsen YES, Cheryl Clark YES, David Dion YES, Marianne Fiske YES.

**Vote:** 4 In Favor 0 Opposed 0 Abstained

**Notice: COLA payment error:** In processing the FY21 COLA, it was discovered that Victoria Daniels, who receives a portion of member retiree Steven Lively's retirement allowance through a QDRO, was inadvertently paid a COLA allowance in FY19 and FY20, in error. Ms. Daniels therefore owes the retirement system a total of \$796.56, plus corrections of errors interest (.1%). A letter has been sent to Ms. Daniels with an apology and an explanation of this overpayment. She has been informed of her right to ask the Board for a waiver, and the process for her to do so. Administrator Deb Underhill apologizes for the error.

**Actuarial Valuation & Investment Return Assumption:** Board to review 1/1/20 Actuarial Evaluation provided by PERAC, choose a Funding Schedule, and vote on the change of the Investment Return Assumption from 7.25% to 7.0%, considering the advice of John Boorack, PERAC Actuary.

The current funding schedule, which was adopted 1/1/2018, has appropriation payments that increase 5.2% per year until FY31, with a final amortization payment in FY32.

Mr. Boorack has presented the following two funding schedules for consideration:

1. Alternative 1 amortizes the Unfunded Actuarial Liability (UAL) by increasing the total appropriation by 5.2%, until FY32, with a final amortization in FY33. This option leaves the percentage that appropriation payments increase the same, but adds one year to our funding schedule.
2. Alternative 2 amortizes the UAL by increasing the total appropriation by 6.0% per year until FY31, with a final amortization payment in FY32. This alternative was designed to complete the amortization of UAL in the same year as the current funding schedule, with a .8% increase in appropriation payments each year.

Mr. Boorack is available to meet with the Board, and/or discuss alternative funding strategies for the Board's consideration if neither Alternative 1 nor 2 meet the Board's needs.

**Tabled until August 25, 2020 Meeting so that Board Member Steven Ellis will be available for the discussion and vote.**

**Financial Statements:** Board reviewed the May & June 2020 financial statements containing the following documents:

Cash Receipts Report	Bank Statements	Monthly Trial Balance
Cash Disbursement Report	Bank Reconciliation	Y-T-D Trial Balance
Adjustments Report	PRIT Statements	Monthly General Ledger
Supplementary Schedule	PRIT Reconciliation	Y-T-D Budget

**Other Business:** Administrator Deb Underhill discussed with the Board that due to the current COVID19 situation, she would like to include self-addressed stamped envelopes with the Benefit Verification Forms (Affidavits). The forms will be sent out the beginning of August, and it is required by law that all retirees who are receiving a monthly benefit return the form within 30 days. The Board agreed that this was a good plan.

**Meeting Adjourned 9:40 am.**

**Next meeting: Tuesday, July 28, 2020, at 9:30 am.**

**APPROVED BY THE MONTAGUE BOARD OF RETIREMENT**

\_\_\_\_\_ respectfully submitted,  
Cheryl Clark, Chairperson

\_\_\_\_\_ Debra Underhill  
Administrator  
Montague Retirement Board

\_\_\_\_\_ David Dion

\_\_\_\_\_ Marianne Fiske

\_\_\_\_\_ Steven Ellis

**BOARD MEMBER POSITION & TERMS:**

1. C. Olsen – Ex-Officio
2. S. Ellis – appointed by Selectboard
3. D. Dion – expires 5/30/22
4. C. Clark – expires 12/16/20
5. M. Fiske – expires 12/31/21

**Annual items:**

- Jan/Feb - Post COLA hearing
- March – COLA
- Mar/Apr – Approve Annual Stmt
- Sept – Vote chairman
- Oct – Administrator evaluation & compensation, stipends, budget for next year
- Nov – Budget approval